Assembly Bill No. 811

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Passed the Assembly   September 2, 1999

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Chief Clerk of the Assembly

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Passed the Senate   August 30, 1999

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Secretary of the Senate

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This bill was received by the Governor this _____ day

of _____, 1999, at _____ o'clock _____M.

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Private Secretary of the Governor

CHAPTER _____

An act to add Section 367.7 to the Public Utilities Code, relating to public utilities.

AB 811, Keeley.   Electrical restructuring.

The Public Utilities Act requires the Public Utilities Commission to recover uneconomic costs associated with electrical deregulation, including transition costs, as defined, to be allocated as prescribed. The act requires that individual customers not experience rate increases as a result of the allocation of transition costs.

This bill would require the commission to implement a methodology whereby the Power Exchange energy credit for a customer with a meter, installed on or after June 30, 2000, that is capable of recording hourly data is required to be calculated based on the actual hourly data for that customer. For customers with meters, as prescribed, installed before June 30, 2000, the bill would require the energy credit, on a one-time basis before June 30, 2000, to be based on either the actual hourly data for the customer or the average load profile for that customer class, as prescribed. This bill would require recovery of any costs of implementing the methodology of energy credit payment to be recoverable through rates for that customer class. The bill would provide that the methodology shall not result in any shifts in cost between customer classes and shall be consistent with a specified provision of existing law.

The people of the State of California do enact as follows:

SECTION 1. Section 367.7 is added to the Public Utilities Code, to read:

367.7. (a) It is the intent of the Legislature in enacting this section to ensure that individual customers do not experience rate increases as a result of the

allocation of transition costs, in accordance with paragraph (2) of subdivision (e) of Section 367.

(b) The commission shall implement a methodology whereby the Power Exchange energy credit for a customer with a meter installed on or after June 30, 2000, that is capable of recording hourly data is calculated based on the actual hourly data for that customer. The Power Exchange energy credit for a customer with a meter installed before June 30, 2000, that is capable of recording hourly data shall, at the election of the customer, on a one-time basis before June 30, 2000, be calculated based on either (1) the actual hourly data for that customer or (2) the average load profile for that customer class. If the customer fails to make an election, that customer's Power Exchange energy credit shall continue to be based on the average load profile for that customer class.

(c) Additional incremental billing costs incurred as a result of the methodology implemented by the commission pursuant to subdivision (b) may be recoverable through rates for that customer class, if the commission finds that the costs are reasonable.

(d) The methodology implemented by the commission pursuant to subdivisions (b) and (c) shall not result in any shifts in cost between customer classes and shall be consistent with the firewall provision set forth in subdivision (e) of Section 367.

Approved ————————————————— , 1999

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                                    Governor